

SUBCOMMITTEE: SUBCOMMITTEE #3

HOUSE BILL NO. 1225

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Labor and Commerce

on _____)

(Patron Prior to Substitute--Delegate Tran)

A BILL to amend and reenact § 56-247.1 of the Code of Virginia, relating to notice prior to termination of electric utility service; enforcement by State Corporation Commission of procedural requirements.

Be it enacted by the General Assembly of Virginia:**1. That § 56-247.1 of the Code of Virginia is amended and reenacted as follows:****§ 56-247.1. Commission to require public utilities to follow certain procedures.**

A. The Commission shall require that public utilities adhere to the following procedures for services not found to be competitive:

1. Every public utility shall provide its residential customers one full billing period to pay for one month's local or basic services, before initiating any proceeding against a residential customer for nonpayment of local service.

2. Pay the residential customer a fair rate of interest as determined by the Commission on money deposited and return the deposit with the interest after not more than one year of satisfactory credit has been established.

3. Every public utility shall establish customer complaint procedures which will insure prompt and effective handling of all customer inquiries, service requests, and complaints. Such procedure shall be approved by the Commission before its implementation and it shall be distributed to its residential customers. The utility shall disclose to the customer that the Commission is the responsible regulatory agency and that the customer may contact the Commission on regulatory matters, and provide the customer with the contact information for the Commission.

26 4. No electric or gas utility shall terminate a customer's service without 10 days' notice by mail to
27 the customer.

28 5. No public utility shall terminate the residential service of a customer for such customer's
29 nonpayment of basic nonresidential services as defined by its terms and conditions on file with the Virginia
30 State Corporation Commission.

31 6. A public utility providing water service shall not terminate service for nonpayment until it first
32 sends the customer written notice by mail 10 days in advance of making the termination but, in no event,
33 shall it terminate the customer's service until 20 days after the customer's bill has become due. Any such
34 notice shall also include contact information for the customer's use in contacting the public utility
35 regarding the notice.

36 7. Any electric utility formed under or subject to Chapter 9.1 (§ 56-231.15 et seq.) may install and
37 operate, upon a customer's request and pursuant to an appropriate tariff for any type or classification of
38 service, a prepaid metering equipment and system that is configured to terminate electric service
39 immediately and automatically when the customer has incurred charges for electric service equal to the
40 customer's prepayments for such service. Subdivisions 1, 2, 4, and 5 shall not apply to services provided
41 pursuant to electric service provided on a prepaid basis by a prepaid metering equipment and system
42 pursuant to this subsection. Such tariffs shall be filed with the Commission for its review and
43 determination that the tariff is not contrary to the public interest.

44 8. No electric utility shall terminate the residential service of a customer for such customer's
45 nonpayment for metered services when the electric utility believes that the customer is receiving or has
46 received electric utility services for which the customer was not properly billed as the result of tampering
47 with the electric utility's meter in a manner that prevented the meter from accurately recording usage, until
48 the electric utility has complied with the procedure set forth in subsection C. However, the requirement
49 that the electric utility comply with the procedure set forth in subsection C before terminating service shall
50 not apply if (i) the condition of a customer's wiring, equipment, or appliances is either unsafe or unsuitable
51 for receiving the electric utility service; (ii) the customer's use of the electric utility service or equipment
52 interferes with or may be detrimental to the electric utility's facilities or to the provision of electric utility

53 service by the electric utility to any other customer; (iii) a tamper-evident meter seal securing the meter
54 is broken, damaged, or missing; (iv) electric service is furnished over a line that is not owned or leased by
55 the electric utility and the line is either not in a safe and suitable condition or is inadequate to receive
56 electric utility service; (v) emergency repairs or alterations are needed; (vi) there are unavoidable shortages
57 or interruptions in a supply of utility service; (vii) the electric utility is acting upon orders from an authority
58 having jurisdiction; or (viii) the actions taken are to preserve life or property, or to avoid or abate utility
59 or fire hazard.

60 B. Any and all Commission rules and regulations concerning the denial of telephone service for
61 nonpayment of such service shall not apply to services found to be competitive.

62 C. If an electric utility believes that a customer is receiving or has received electric utility services
63 for which the customer was not properly billed as the result of tampering with the electric utility's meter
64 in a manner that prevented the meter from accurately recording usage, the electric utility shall (i) retrieve
65 the meter from the customer's premises, which may be done without providing prior notice to the
66 customer; (ii) immediately replace it with a new meter; and (iii) determine whether the meter has been
67 tampered with. Within 60 days after any such determination of meter tampering has been made, the electric
68 utility shall provide evidence of such tampering to the customer. If, after determining the meter has been
69 tampered with, the electric utility seeks payment for electric utility services not properly billed, the electric
70 utility shall provide the customer with a detailed invoice billing the customer for the amount owed by the
71 customer as a result of the meter's failure to accurately record the customer's usage. The invoice shall
72 explain the electric utility's calculation of the amount owed as a result of such failure. The electric utility
73 shall provide the customer one full billing period to pay the amount billed in such invoice before initiating
74 any proceeding against the customer for nonpayment. During such billing period the customer may submit
75 a complaint to the Commission. The Commission may commence a formal proceeding after the informal
76 complaint process has been exhausted in accordance with Commission regulations.

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